

## CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: \_\_\_\_\_

Meeting Type: Regular

Meeting Date: Apr 28, 2016

Action Requested By: Legal

Agenda Type: Resolution

**Subject Matter:**

Invoke Letter of Credit.

**Exact Wording for the Agenda:**

Resolution authorizing the Clerk-Treasurer to invoke Bryant Bank Letter of Credit No. 1193 for Oak Grove at Farley Farms Phase 4 Subdivision.

**Note: If amendment, Please state title and number of the original**

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost: \_\_\_\_\_

Budgeted Item: Not Applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: 

Date: Apr 20, 2016

RESOLUTION NO. 16-\_\_\_\_\_

**WHEREAS**, Bryant Bank issued a certain letter of credit (No. 1193), a copy of which is attached hereto and incorporated herein by reference, including any amendments thereto, in favor of the City of Huntsville, Alabama pursuant to Article 5 of the Subdivision Regulations for the City of Huntsville, Alabama; and

**WHEREAS**, the letter of credit is due to be invoked and the proceeds used in accordance with said subdivision regulations..

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Huntsville, Alabama, that the City of Huntsville Clerk-Treasurer be and is hereby authorized to present for payment to Bryant Bank Letter of Credit No. 1193, prior to the expiration date thereof, with the language as specified in said Letter of Credit.

**ADOPTED** this the 28th day of April, 2016.

\_\_\_\_\_  
President of the City Council  
of the City of Huntsville,  
Alabama

**APPROVED** this the 28th day of April, 2016.

\_\_\_\_\_  
Mayor of the City of  
Huntsville, Alabama

# BRYANT BANK

## IRREVOCABLE LETTER OF CREDIT NO. 1193

**Beneficiary:**

City of Huntsville  
P.O. Box 308  
Huntsville, AL 35804

**Account Party:**

Farley Farms, Inc.  
10002 South Memorial Parkway  
Huntsville, AL 35803

**Bank:**

Bryant Bank  
415-H Church St., Suite 100  
Huntsville, AL 35801

Subject: Article 5 Sidewalk Letter of Credit for Oak Grove at Farley Farms Phase 4, a  
resubdivision of Lot 1 of Farley Farm, Document Number 20101206000703360

Amount: \$29,498.00

Issue Date: 05/13/2015

Expiration Date: 05/13/2016

Gentlemen:

We hereby open our Irrevocable Standby Letter of Credit in your favor, effective 05/13/2015, for a sum not to exceed the aggregate of \$29,498.00. Available by your one or more drafts at SIGHT on us.

All draft(s) drawn under and in compliance with the terms of this Credit prior to the expiration thereof will be duly honored if drawn and presented for payment to Bryant Bank, 415-H Church Street, Suite 100, Huntsville, AL 35801.

Each draft must be accompanied by a statement signed by a representative of the City of Huntsville, Alabama, stating that the draw is being made pursuant to Article 5 of the Subdivision Regulations.

**The original of this Letter of Credit must be presented with any drawing.**

We hereby engage with you that drafts drawn under and in compliance with the terms of the credit will be duly honored upon presentation and delivery of the documents as specified.

This Letter of Credit shall be governed by the laws of the State of Alabama, including but not limited to, the Alabama Uniform Commercial Code, as the same may be from time to time amended.

BRYANT BANK

By:   
Mike Johnston, Executive Vice President

DD 5/18/15      OK 5/26/15      5/27/15

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